

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: IOWA LAKES ELECTRIC COOPERATIVE and MIDAMERICAN ENERGY COMPANY	DOCKET NO. SPU-01-11
---	----------------------

**ORDER GRANTING PETITION FOR MODIFICATION
OF SERVICE AREA BOUNDARIES**

(Issued August 28, 2001)

On August 7, 2001, Iowa Lakes Electric Cooperative (Iowa Lakes) and MidAmerican Energy Company (MidAmerican) filed a joint petition for modification of electric service area boundaries pursuant to 199 IAC 20.3(9). The petition included a proposed service area agreement between Iowa Lakes and MidAmerican. No objections to the petition were filed.

Iowa Lakes and MidAmerican request the Utilities Board (Board) transfer from MidAmerican to Iowa Lakes the service territory in Buena Vista County, Iowa, described as follows:

The Southwest Quarter of the Northwest Quarter (SW $\frac{1}{4}$ NW $\frac{1}{4}$) of Section 13, Nokomis Township, Township 91 North, Range 38 West, of the 5th P.M., Buena Vista County, Iowa.

In support of the petition, Iowa Lakes and MidAmerican state that it was recently discovered that Iowa Lakes was serving a customer within MidAmerican's exclusive service territory. Service to this customer by Iowa Lakes predated the

assignment of exclusive service territories pursuant to Iowa Code § 476.25. In order for MidAmerican to serve the customer, additional facilities that would duplicate Iowa Lakes' existing facilities would have to be built. Iowa Lakes and MidAmerican have agreed that Iowa Lakes is to pay MidAmerican \$2,000 for the territory transfer. This amount is equal to three years of base revenue from the customer. The affected customer has agreed to the service territory transfer.

Iowa Code § 476.25(2) (2001) provides in pertinent part:

Contracts between electric utilities to designate service areas and customers to be served by the electric utility or for the exchange of customers between electric utilities, when approved by the board, shall be valid and enforceable and shall be incorporated into the appropriate exclusive service areas established pursuant to subsection 1 of this section. The board shall approve a contract if it finds that the contract will eliminate or avoid unnecessary duplication of facilities, will provide adequate electric service to all areas and customers affected, will promote the efficient and economical use and development of the electric systems of the contracting electric utilities, and is in the public interest.

The Board will grant the Iowa Lakes and MidAmerican joint petition for modification of service area boundaries. Iowa Lakes and MidAmerican have alleged facts which establish the proposed modification is in the public interest, will prevent unnecessary duplication of facilities, provide adequate electric service to all customers affected, and will promote the efficient and economical use of electrical systems, pursuant to Iowa Code § 476.25.

IT IS THEREFORE ORDERED:

The joint petition for modification of service area boundaries filed by Iowa Lakes Electric Cooperative and MidAmerican Energy Company on August 7, 2001, is granted, subject to complaint or investigation.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Diane Munns

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Mark O. Lambert

Dated at Des Moines, Iowa, this 28th day of August, 2001.